

# SENATE BILL REPORT

## SB 6441

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As Reported by Senate Committee On:  
Energy, Natural Resources & Marine Waters, February 1, 2012  
Ways & Means, February 7, 2012

**Title:** An act relating to authorizing grants to the successful pilot programs implementing RCW 70.260.020

**Brief Description:** Authorizing grants to the successful pilot programs implementing RCW 70.260.020.

**Sponsors:** Senator Ranker.

**Brief History:**

**Committee Activity:** Energy, Natural Resources & Marine Waters: 1/30/12, 2/01/12 [DP-WM].

Ways & Means: 2/06/12, 2/07/12 [DPS, DNP].

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### SENATE COMMITTEE ON ENERGY, NATURAL RESOURCES & MARINE WATERS

**Majority Report:** Do pass and be referred to Committee on Ways & Means.

Signed by Senators Ranker, Chair; Regala, Vice Chair; Delvin, Ranking Minority Member; Morton, Ranking Minority Member; Fraser, Hargrove and Stevens.

**Staff:** William Bridges (786-7416)

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### SENATE COMMITTEE ON WAYS & MEANS

**Majority Report:** That Substitute Senate Bill No. 6441 be substituted therefor, and the substitute bill do pass.

Signed by Senators Murray, Chair; Kilmer, Vice Chair, Capital Budget Chair; Zarelli, Ranking Minority Member; Parlette, Ranking Minority Member Capital; Baumgartner, Brown, Conway, Fraser, Harper, Hatfield, Hewitt, Holmquist Newbry, Kastama, Keiser, Kohl-Welles, Pridemore, Regala, Schoesler and Tom.

**Minority Report:** Do not pass.

Signed by Senators Honeyford and Padden.

**Staff:** Michael Bezanson (786-7449)

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

**Background:** Community Energy Efficiency Pilot Program. E2SSB 5649 (2009) authorized the Washington State University Extension Energy Program (WSU) to implement pilot programs providing community-wide residential and commercial energy efficiency services, such as energy audits and weatherization. Among other criteria, the legislation required pilot projects to be dispersed throughout the state, across fuel types, building sectors, and owner-occupied and rental residences.

In October 2009 using federal monies from the U.S. Department of Energy and the American Recovery and Reinvestment Act, WSU created the Community Energy Efficiency Pilot program. Under this program, WSU selected and funded the following utilities and contracting organizations to deliver energy efficiency services:

- City of Ellensburg – \$63,000;
- Clark Public Utilities (Clark County) – \$1,015,000;
- Opportunity Council & Sustainable Connections (Whatcom County) – \$2,848,190;
- Puget Sound Energy (Island, Jefferson, King, Kitsap, Kittitas, Lewis, Pierce, Skagit, Snohomish, Thurston, and Whatcom counties) – \$1,541,090;
- Snohomish County Public Utility District – \$2,169,599;
- Sustainable Living Center (Walla Walla County) – \$767,275;
- SustainableWorks (Spokane, King, Snohomish and Pierce counties) – \$4,000,000; and
- Thurston County Economic Development Council – \$1,040,000.

The federal funding is scheduled to end April 30, 2012. The pilot programs are currently expected to end March 31, 2012.

**Summary of Bill (Recommended Substitute):** Authorizing WSU to Continue the Community Energy Efficiency Pilot Program. If funds are appropriated, WSU is authorized to extend grants to the successful pilot programs under the Community Energy Efficiency Pilot program. By December 1, 2013, WSU must provide a report to the Governor and the appropriate legislative committees on the pilot program, including such information as the number of grants awarded, the number of jobs created or maintained, and the number and type of individuals trained through workforce training and apprentice programs. The report must include the amount spent on administrative and indirect costs.

**EFFECT OF CHANGES MADE BY WAYS & MEANS COMMITTEE (Recommended Substitute):** Adds administrative costs to the reporting requirements for the WSU Extension Energy program under the bill. Specifies that any costs not directly associated with performing work on energy projects are considered administrative.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Committee/Commission/Task Force Created:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony on Original Bill (Energy, Natural Resources & Marine Waters):** PRO: The WSU Extension Energy Program distributed \$14.5 million in federal stimulus funds by using an independent panel of experts. Much of the money was matched by local utility grants or bank loans. The eight projects chosen by this process trained and employed 600 people to conduct energy audits and install energy efficiency measures in 11,000 homes and 200 small businesses. The estimated energy savings resulting from these projects is \$2.3 million. Individual homeowners experienced 30 percent annual reductions in their energy bills. Energy audits help educate homeowners on how to think about energy efficiency. The pilot projects should be continued to maintain their good work.

**Persons Testifying (Energy, Natural Resources & Marine Waters):** PRO: David Bangs, Home Performance WA; Shawn Collins, Opportunity Council; Joshua Cummings, Thurston Energy; Jake Fey, William Raney, WSU Extension Energy Program; Brain Flowers, Moles Family Services; Steve Gelb, Sustainable Works-Seattle; Kyle Kennemore, ECHO Energy, LLC; Alex Ramel, Sustainable Connections; Ian Rae, Chuckanut Builders; Eileen Ryan, NW Energy Team; Mike Williams, Sustainable Works-Spokane; Michael Cade, Thurston Economic Development Council.

**Staff Summary of Public Testimony on Original Bill (Ways & Means):** PRO: The program has made a significant impact in many communities across the state. Residents across the state are working in family-wage jobs with health insurance. All programs have been effective in creating jobs and saving energy. The program has generated a high return on investment. The collaboration between WSU, business community, and Legislature has been productive, and we hope you continue the program.

**Persons Testifying (Ways & Means):** PRO: Sheila Riggs, WSU Extension Energy Program; Steve Gelb, Sustainable Works; Joshua Cumming, Thurston Energy Economic Development Council.